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No. 01-506

IN THE

Supreme Court of the United States

LOCKHEED MARTIN CORPORATION,

Petitioner,

v.

SPACE SYSTEMS/LORAL, INC.,

Respondent.

ON PETITION FOR WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

REPLY BRIEF IN SUPPORT OF PETITION

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PARTIES TO THE PROCEEDING

The parties to this proceeding are Lockheed Martin Corporation, plaintiff below, and Space Systems/Loral, Inc., the defendant below.

Lockheed Martin Corporation has no parent, and no publicly held company owns 10% or more of Lockheed Martin's stock.

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INTRODUCTION

In its Brief in Opposition ("SSL Opp. at __") to Lockheed Martin Corporation's ("Lockheed Martin") Petition for a Writ of Certiorari ("Petition"), Space Systems/Loral, Inc. ("SSL") urges this Court:

> (a) to delay ruling on the Petition pending a resolution of *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki*, 234 F.3d 558 (Fed. Cir. 2000) (*en banc*), cert. gntd., __ U.S. __ (June 18, 2001) (No. 00-1543), on the grounds (argues SSL) that the Federal Circuit did not extend *Festo* in this case; and
>
> (b) in the event *Festo* is reversed or modified, to defer ruling on the Petition pending further briefing, rather than remanding.

ARGUMENT

A. *This Case Presents Issues Not Presented In Festo*

Contrary to SSL's argument, the Federal Circuit in this case went beyond its holding in *Festo* by applying the absolute bar rule to foreclose all equivalents to a claim limitation that was present in the claim as originally filed, merely because that limitation was related to an amended limitation.

With respect to the "varies sinusoidal" limitation on wheel speed, claim 1, as construed below, specifies two limitations: (1) that the variation occur through zero speed (an imputed limitation); and (2) that the

variation occur at the orbit rate (normally once per day). A-18.

The former limitation was part of original claim 1, whereas the latter limitation was added by way of amendment. A-21. When claim 1 was amended, the reasons for such amendment were explained in the remarks. A-28 - A-29. Based on such remarks, the scope of what applicant disclaimed is absolutely clear. The applicant disclaimed varying wheel speed at other than the orbit rate. A-22. It is equally clear that the applicant never disclaimed any coverage with respect to the imputed limitation, *i.e.*, through zero speed, a limitation not even mentioned in the prosecution history.

Below, the Federal Circuit applied the *Festo* bar not only to the limitation added to element [b] ("over the orbit at the orbit rate"), but to another limitation (the imputed limitation of "through zero speed") which was part of original claim 1. A-23.

SSL argues that the Federal Circuit did not extend *Festo* because, as found by the Federal Circuit, "the entire claim limitation [b] was amended." SSL Opp. at 2. It argues that Lockheed Martin is erroneously advancing a rule that would require "[p]arsing the words of claim 1 and applying a 'flexible bar' to each word of claim 1". SSL Opp. at 4.

Lockheed Martin does not contend that each word within a claim must be examined to determine the extent to which the absolute bar rule applies. Rather, Lockheed Martin takes the unremarkable position that because the absolute bar rule arises as a result of a claim amendment, its impact should be limited to that amendment. For instance, Lockheed Martin does not dispute that the "orbital frequency" limitation was added to claim 1 by an amendment to

overcome prior art, and, therefore, properly is subject to the absolute bar rule under *Festo* (assuming that *Festo* is upheld by this Court). However, Lockheed Martin takes exception to the Federal Circuit's extension of the absolute bar to the separate, albeit related, "varies sinusoidally" limitation of claim 1. The prosecution history is clear that the applicant did not disclaim any coverage with respect to such limitation, particularly the "through zero speed" limitation later imputed by the Courts.

SSL implicitly concedes a key aspect of Lockheed Martin's position where it asserts that claim 1 was amended to add further limitations at least four times during prosecution, and that one of these amendments was the addition of the "orbital frequency" limitation. SSL Opp. at 3. Like Lockheed Martin, and unlike the Federal Circuit, SSL recognized that the "orbital frequency" is but one of a number of limitations on the manner of satellite momentum wheel rotation. Notably, SSL lists the change in claim language from "sinusoidal variation" to "varies sinusoidally" as separate from the "orbital frequency" amendment. *Id.* Thus, SSL's defense of the Federal Circuit's decision to treat the "through zero speed" and "at the orbital frequency" limitations as a single claim limitation for purposes of the absolute bar rule rings hollow.

Moreover, SSL is incorrect when it argues that amending the phrase "means for rotating said wheel in accordance with a predetermined sinusoidal variation" to "means for rotating said wheel in accordance with a predetermined rate schedule which varies sinusoidally" invokes the *Festo* absolute bar. SSL Opp. at 3. *Festo* applies only to narrowing amendments. 234 F.3d at 566. In this case, original claim 1 required the wheel to rotate sinusoidally, whereas amended claim 1 merely

requires a sinusoidal control input (*i.e.*, does not require that the resulting wheel variation necessarily be sinusoidal). Thus, if anything, this limitation made claim 1 broader, not narrower.

SSL also is incorrect that the "over the orbit at the orbit rate" limitation is not separate from the "through zero speed" limitation. Each limitation could have been set forth in a separate dependent claim (and, in fact, claim 1 originally had the latter limitation but not the former). A-21. Thus, the frequency of wheel variation is independent of whether its speed goes through zero and vice versa.

Accordingly, Lockheed Martin submits that the Petition should be granted, because the absolute bar rule improperly was applied in this case to claim limitations not added by amendment. Moreover, this is a clear case of an instance where the *Festo* absolute bar rule would extend to subject matter which the public records show was clearly not disclaimed, and thus finds no justification in the principles of equity. For such reasons, Lockheed Martin respectfully requests that this Court grant certiorari.

B. *If Festo Is Reversed Or Modified, The Court Should Vacate And Remand*

SSL does not dispute that the sole grounds of the Federal Circuit's determination in this case was *Festo*. Thus, SSL concedes that it would be inappropriate to deny Lockheed Martin's Petition until *Festo* is decided. SSL. Opp. at 1.

SSL, however, argues that, even if this Court reverses *Festo*, the Court should not necessarily vacate and remand this case. SSL suggests that the parties

submit supplemental briefing. SSL Opp. at 6. In the event that this Court reverses or modifies *Festo*, this Court should vacate the judgment of the Court of Appeals and remand for consideration in light of this Court's *Festo* opinion, rather than having this Court decide such issues in the first instance.

CONCLUSION

For the foregoing reasons and for the reasons set forth in the Petition, Lockheed Martin respectfully submits that the writ should be granted.

Date: December 4, 2001

Respectfully Submitted,

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